

Message Text

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13

ORIGIN COME-00

INFO OCT-01 EUR-25 ADP-00 EB-11 PCH-10 DODE-00 NSAE-00

RSC-01 TRSE-00 AEC-11 CIAE-00 MC-02 /061 R

66643

DRAFTED BY: RMCGEEHAN/CBCLEMENTS/OEC/BEWI

APPROVED BY: EB/OCA/REP:LHPOMEROY

CLEARANCES: EB/EWT-LLESE

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R 242124Z AUG 73

FM SECSTATE WASHDC

TO AMCONSUL STUTTGART

AMCONSUL FRANKFURT

INFO AMEMBASSY BONN BY POUCH

AMEMBASSY THE HAGUE BY POUCH

AMCONSUL DUESSELDORF BY POUCH

AMEMBASSY MOSCOW BY POUCH

AMCONSUL AMSTERDAM BY POUCH

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E.O. 11652: N/A

TAGS: ESTC, GW, NL, UR, XH

SUBJECT: C.J. MCVEY, OEC/CD INVESTIGATION CASE 11(73)22

REF: AMCONGEN STUTTGARD T-701, 8/17/73; T-683, 8/13/73;

FRANKFURT T-5485, 8/23/73

EXCON

1. SUBJECT KNOWN TO OEC/CD SINCE 4/30/73.

2. PRESIDENT, INTERNATIONAL SALES MANAGEMENT CORP. NORTHBROOK, ILL.; CHAIRMAN OF BOARD, FAIRFIELD MEMORIES INC., IRVINE, CALIF. (MFG. SUBSIDIARY OF FAIRFIELD); TECHNICAL MARKETING SERVICE, OFFICES FRANKFURT (WM. A. CHERVENAK), AMSTERDAM, PARIS, ALLEGED EUROPEAN ARM OF PARENT FIRM.

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3. CONFIDENTIAL SOURCE IN COMPUTER TRADE TOLD OEC/CD THAT

SUBJECT CONTACTED HIM FOR PACKAGE DEAL: THREE 370/145'S, ONE 370/155, ONE (POSSIBLY) TWO) 370/158'S, ONE 370/168; VALUE: \$8-10 MILLION. NOTE: DEAL LATER FELL THROUGH WHEN SOURCE INSISTED THAT SUBJECT "PUT MONEY WHERE MOUTH WAS..."

4. SOURCE SAID SUBJECT PREFACED MEETING WITH INITIAL STATEMENT: "IBM WON'T LIKE WHERE THESE (COMPUTERS) ARE GOING." SOURCE REPLIED HE WASN'T INTERESTED. CONSIDERED HIS PART IN TRANSACTION AS STRICTLY SELLER IN DOMESTIC U.S. SALE. SUBJECT DID NOT PURSUE TOPIC FURTHER. SUBJECT INDICATED INTERNATIONAL SALES MANAGEMENT, THROUGH TECHNICAL MARKETING SERVICE, INTENDED TO LEASE AND/OR SELL ABOVE COMPUTERS TO CUSTOMERS IN WESTERN EUROPE (NETHERLANDS, FEDREP).

5. SOURCE REPORTED THOUGH SUBJECT APPARENTLY HAD UNLIMITED FUNDS, PAUCITY INFORMATION RE HIS FINANCIAL STANDING. INVOLVEMENT RELATIVELY OBSCURE FIRMS, I.E. FAIRFIELD MEMORIES/INTERNATIONAL SALES, IN TRANSACTION SUCH MAGNITUDE UNUSUAL. UNCHARACTERISTIC LACK "HORSE TRADING" FOR DEAL THIS QUANTITY/VALUE. PREVIOUS CORRESPONDENCE TO SOURCE FROM FAIRFIELD PRESIDENT, JAMES R. BUCHANAN, THAT MENTIONED "STRONG CONNECTIONS INTO THE EAST BLOCK COUNTRIES...", COUPLED WITH SUBJECT'S REPORTED WILLINGNESS TO ACCEPT STANDARD IBM MAINTENANCE LETTER (LIMITED TO U.S. AND PUERTO RICO) TO COVER COMPUTERS DESTINED FOR EXPORT ALSO CAUSED CONCERN.

6. SUBJECT TELEPHONED OEC/CD ON 8/21/73. HAD JUST RETURNED FROM FRG AND APOLOGIZED FOR NOT BEING ORGANIZED IN HIS THOUGHTS. TOLD RAMBLING STORY OF LORENZ/DEGROOT/U.S.S.R. COMPUTER DIVERSION ACTIVITIES. PLANS VISIT TO OEC/CD WEEK OF 8/26/73.

7. PREVIOUS ATTEMPTS TO CONTACT SUBJECT STATESIDE PROVED NEGATIVE.

8. POSTS WILL BE ADVISED OF RESULTS OF ABOVE-MENTIONED MEETING, ALONG WITH ANY OTHER INFORMATION DEVELOPED RE SUBJECT'S ACTIVITIES.

9. USEFULNESS DATA WILL BE EVALUATED AFTER TALK WITH SUBJECT. NO OBJECTION CIU/F BE INFORMED. SUGGEST CIU/F BRIEF CIU/ STUTTGART ACCORDINGLY. RUSH
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NOTE BY OC/T: POUCHED.

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Message Attributes

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Draft Date: 24 AUG 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: hilburpw
Disposition Case Number: n/a
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Disposition Date: 28 MAY 2004
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Disposition History: n/a
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Disposition Remarks:
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Executive Order: N/A
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Handling Restrictions: n/a
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ISecure: 1
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Original Handling Restrictions: n/a
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Review Event:
Review Exemptions: n/a
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30 JUN 2005

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To: STUTTGART FRANKFURT
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